GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3516
ANSWERED ON:16.12.2005
PENDENCY OF CASES
Singh Kunwar Rewati Raman

Will the Minister of FINANCE be pleased to state:

(a) the number of cheque bounce cases are pending in Delhi, Mumbai, Kolkata and Chennai at present under the Negotiable Instruments Act;

(b) if so, whether the huge pendency is causing considerable delay in the disposal of the cases ; and

(c) the steps the Government is contemplating to check the huge pendency ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a): Section 138 of the Negotiable Instruments Act, 1881 empowers the payee of the cheque to file a complaint under Section 141 of the Act against the drawer of the cheque in cases where cheques are dishonoured for insufficient funds .As such it is left to the concerned parties to decide whether to approach the courts or not. The data base of Reserve Bank of India, therefore, does not generate information regarding cases pending in various courts relating to bouncing of cheques under the Negotiable Instruments Act. However, based on the information received from Public Sector Banks, there are at present about 3024 cheque bounce cases pending in Delhi, Mumbai, Kolkata and Chennai.

(b)&(c): Yes , Sir. In order to reduce pendency, the Negotiable Instruments Act was amended in December 2002 and a new Section 143 was inserted providing for summary trial of cases under the Act. The Section also provides that every endeavour shall be made by the Court to conclude the trial within six months of filing the complaint.